



Revenue @Risk!

What does it take for a sales organization that is operating in a complex sales environment to consistently meet or exceed their revenue growth goals year after year?

Answer: By design, the revenue generation strategy is built on deriving a significant percentage of its revenue directly from new business development activity.

[1] Request [Defining The Complex Sale](#) by email to info@salescue.com/.

Here is a reality... these very same organizations on average **WIN** approximately 6-8% of the total revenue value of their sales pipeline in any given month and they will convert 25-35% on average of near term, forecasted revenue into sales. Among other financial issues not discussed here, these two important key performance indicators (KPI's) should cause executive management to ask the following questions of the people that should know:

- 1) Exactly what is happening with the remaining 92-94% of the total pipeline of identified sales revenue opportunities that is @RiskSM to win or lose?
- 2) Specifically where are we with the 65-75% of the near term revenue opportunities that we didn't get last month?

We find wild variations in the answers to the above questions from company to company. The reason; there are no standards as to exactly where and how reported revenue and ratios should be calculated. For example; a global computer company sells the same product line to individual consumers plus they have a dedicated sales force targeting large, major account sales. When they calculate their sales pipeline ratio they blend the two revenue/pipeline numbers. Think the resulting pipeline ratio to sales (KPI) might give a false picture on the effectiveness of sales revenue efforts to executive management? You betcha!

Here is a recurring theme that represents the crux of the problem!

“Exactly when did it become acceptable that an organization would consistently lose more of its qualified sales opportunities than they actually won... and WORSE, would do little-to-anything about it?”

We believe no matter how tough new business development sales are to win; when it represents critical revenue needed to fuel growth and achieve corporate revenue goals you had better figure out how to get very good at it or else!

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